

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7278

BILL NUMBER: HB 1226

DATE PREPARED: Dec 30, 1998

BILL AMENDED:

SUBJECT: Pioneer Cemetery Fund and Environmental License Plates.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill creates the Pioneer Cemeteries Maintenance and Restoration Fund to be administered by the Indiana Historical Bureau. It permits a county cemetery association to apply for a grant from the Pioneer Cemeteries Maintenance and Restoration Fund. The bill creates a second environmental license plate. It requires the Auditor of State to deposit money raised from the sale of the plate in the Pioneer Cemeteries Maintenance and Restoration Fund.

Effective Date: July 1, 1999.

Explanation of State Expenditures: Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, would charge the BMV \$2.60 per plate if the newly created plate is not a special recognition plate. If the newly created license plate is a special recognition plate, PEN Products' charge would be based on the number of colors in the design as shown in the schedule below:

Colors	Set-Up Charges	Price Per Plate (99-01)*
1	\$105	\$3.90
2	170	4.00
3	235	4.10
4	300	4.30
5	365	4.60
6	430	5.00

*For the 1999-2001 Biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$70 per hour charge. Origination Fees include the film positives and the silk screen charges. The fund affected for PEN Products is PEN Products Revolving Fund.

The fund affected for the BMV is the Motor Vehicle Highway Account which supports the BMV. There will computer and accounting changes for the BMV.

A license plate is designated as a special recognition license plate if: (1) a special group recognition plate is required by statute; (2) a special group recognition license plate is requested by resolution of the General Assembly; or (3) representatives of a special group petition the Bureau of Motor Vehicles. If the plate is not designated as a special recognition plate, the above costs will not apply. The cost will be \$2.60 per plate. The reason for the price differential is that general issue plate sheeting is used for the non-special recognition plates.

Explanation of State Revenues: Potential revenue from the sales of the Pioneer Cemetery license plates is not known. There will be an administrative fee of \$12 charged for each plate. Revenue from these plates will be split evenly between the State License Branch Fund which supports the license branches and the Motor Vehicle Highway Account which supports the BMV.

In 1997, sales of the existing 41 special plates ranged from 63 Marine Reserve plates to 100,146 Children's Trust Plates. Within this potential sales range, revenue resulting from the existing \$12 administrative fee ranged from \$378 to \$600,876 per plate.

In 1997, 85,499 Environmental License Plates were sold. Revenue from the sales of this plate totaled \$2,137,475 which was deposited into the Heritage Trust. Sales for the newly created plates are not known.

Revenue from the newly created plate would be deposited in the Pioneer Cemeteries Maintenance and Restoration Fund. It is possible, to some extent, that the sales of the newly created plate could supplant the sales of existing environmental license plate, along with other special issue license plates.

Money in the newly created fund consists of: (1) fees from the environmental licenses plates;(2) gifts of money or the proceeds from the sale of gifts donated to the fund; (3) investment earnings from any portion of the fund; (4) other sources specified by law.

All monies accruing to the fund are continuously appropriated for the specified purposes.

It should be noted that it is possible that sales of this special plates could, to some extent, supplant the sales of the other special plates.

Explanation of Local Expenditures:

Explanation of Local Revenues: The Indiana Historical Bureau may use the money in the newly created fund to award grants to county cemetery associations for the purpose of restoring and maintaining one or more cemeteries. The specific impact will depend upon the sales of the newly created second environmental license plate and any other gifts or earnings of the fund.

State Agencies Affected: Bureau of Motor Vehicles; Department of Correction (Pen Products).

Local Agencies Affected: Local cemetery associations

Information Sources: BMV; Becky Gillam, Director of Sales and Marketing of PEN Products, 387-2020.